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FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 7609
INFO ASEAN COLLECTIVE
AMEMBASSY CANBERRA
AMEMBASSY PORT MORESBY
AMEMBASSY NAIROBI
AMEMBASSY WELLINGTON
SECDEF WASHDC//USDP/ISA/AP//
USCINCPAC HONOLULU HI//FPA//
NSC WASHDC
AMCONSUL SURABAYA

C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 001853

STATE FOR EAP, EAP/PIMBS;
OSD FOR USDP/ISA/AP SCHER;
USCINCPAC FOR FPA
NAIROBI FOR MARK CLARK

E.O. 12958: DECL: 05/20/2012

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SUBJECT: RELIGIOUS EXTREMISTS SEEKING "SHORTCUT TO
PARADISE," COORDINATING MINISTER KALLA TELLS A/S KELLY

1. (U) CLASSIFIED BY POLOFF I. REED, REASON 1. 5 (D).

2. (C) SUMMARY: COORDINATING PEOPLE'S WELFARE MINISTER JUSUF KALLA TOLD VISITING EAP A/S JAMES KELLY MAY 18 THAT ECONOMIC MARGINALIZATION OF LOCALS WAS THE ROOT CAUSE OF INDONESIA'S COMMUNAL AND SEPARATIST CONFLICTS. HE DOWNPLAYED THE IMPORTANCE OF RELIGIOUS EXTREMISTS AND OTHER POWERFUL VESTED INTERESTS, CHARACTERIZING THEM MORE AS A SYMPTOM THAN A CAUSE. THE GOI'S APPROACH TO SOLVING THE CONFLICTS, KALLA SAID, WOULD BE TO REDUCE POVERTY AND IMPROVE HEALTH, EDUCATION, SOCIAL SERVICES AND INFRASTRUCTURE, WHILE LEAVING "THE REST" TO THE PRIVATE SECTOR. IN A LAND WHERE FEAR OF RELIGIOUS EXTREMISTS AND UNSEEN MALEVOLENT FORCES OFTEN STYMIES ACTION, KALLA'S EMPHASIS ON ECONOMICS AND GOVERNMENT SERVICES WAS REFRESHING, AND MAY HELP EXPLAIN WHY HIS POLITICAL STAR IS RISING. AS USUAL, THE HARD PART WILL BE FOLLOW-THROUGH. END SUMMARY.

3. (C) COORDINATING MINISTER FOR PEOPLE'S WELFARE JUSUF KALLA DISCUSSED INDONESIA'S SEPARATIST AND COMMUNAL CONFLICTS AND OTHER ISSUES UNDER HIS SUPERVISION IN A MAY 18 MEETING WITH VISITING EAP ASSISTANT SECRETARY JAMES KELLY, ACCOMPANIED BY CHARGE. PRIVATE SECRETARY SUTEDJO JUWONO, GENERAL ELECTIONS COMMISSIONER HAMID AWALUDIN, AND A NOTETAKER JOINED MINISTER KALLA. EAP SENIOR ADVISOR THERESA MCNIEL, USAID DIRECTOR, CONTROL OFFICER LISA WILKINSON, AND POLOFF (NOTETAKER) ALSO ACCOMPANIED A/S KELLY.

IT'S THE ECONOMY

4. (C) A/S KELLY THANKED KALLA FOR HIS AND THE GOI'S EFFORTS TO FIND SOLUTIONS TO CONFLICTS IN MALUKU AND CENTRAL SULAWESI, WHICH THE USG STRONGLY SUPPORTED. KALLA TOLD A/S KELLY THAT ECONOMIC MARGINALIZATION OF LOCAL COMMUNITIES WAS THE ROOT CAUSE OF ALL OF INDONESIA'S COMMUNAL AND SEPARATIST CONFLICTS. HE TRACED THIS PHENOMENON TO SOEHARTO-ERA GOI POLICIES, IN PARTICULAR THE GRANTING OF MONOPOLIES OVER KEY COMMODITIES -- INCLUDING CLOVES, TIMBER, COFFEE, AND CANE FOR FURNITURE -- TO CRONIES OF THE RULING ELITE, THUS SHUTTING LOCAL COMMUNITIES OUT OF THE BENEFITS. MEANWHILE, TRANSMIGRATION POLICIES HAD CREATED RESENTMENT BY HELPING TO DISPLACE LOCALS WITH HARDER WORKING MIGRANTS.

5. (C) KALLA NOTED THAT THE ADVENT OF DEMOCRACY HAD ALSO HELPED UNRAVEL ONCE CAREFULLY MANAGED BALANCES OF POWER BETWEEN RELIGIOUS GROUPS. IN REGIONS SUCH AS CENTRAL SULAWESI AND MALUKU, WHERE GROUPS OF RELIGIOUS MINORITIES WERE LARGE OR POPULATIONS WERE ROUGHLY BALANCED, THE GOVERNMENT PARCELED OUT IMPORTANT POSITIONS AS GOVERNORS OR DISTRICT HEADS ACCORDING TO TRADITIONS THAT REFLECTED THE STRENGTH OF EACH RELIGIOUS COMMUNITY. CURRENTLY, WHICHEVER SIDE MUSTERED A MAJORITY IN THE LOCAL LEGISLATURE COULD FILL THE POSITIONS OVERWHELMINGLY WITH MEMBERS OF ITS OWN

COMMUNITY.

¶6. (C) IN THE CASE OF MALUKU, HISTORIC IMBALANCES IN EDUCATIONAL OPPORTUNITIES WERE ALSO A FACTOR, KALLA SAID. CHRISTIANS WERE FAR BETTER EDUCATED DURING THE COLONIAL PERIOD, BUT LATER MOVED TO JAKARTA SEEKING OPPORTUNITIES. MUSLIMS REPLACED THEM IN IMPORTANT POSITIONS, WHERE THEY NOW DOMINATED. KALLA NOTED, FOR EXAMPLE, THAT FIFTEEN OF NINETEEN HEADS OF DEPARTMENT IN THE AMBON ADMINISTRATION WERE NOW MUSLIM, EVEN THOUGH THE POPULATIONS OF THE TWO COMMUNITIES WERE ROUGHLY BALANCED.

EXTREMISTS ON ICE

¶7. (C) THE CHARGE ASKED FOR KALLA'S VIEWS ON A RECENT MEDIA DEBATE THAT FOLLOWED THE ARREST OF LASKAR JIHAD LEADER JAFFAR UMAR THALIB OVER WHETHER EXTREMIST GROUPS WERE REALLY THE MAIN SOURCE OF PROBLEMS. KALLA DOWNPLAYED THE IMPORTANCE OF SUCH GROUPS OR OFTEN-RUMORED PROVOCATION FROM OTHER POWERFUL VESTED INTERESTS, SUGGESTING THEY WERE A SYMPTOM MORE THAN A CAUSE OF THE CONFLICTS. RETRACING THE HISTORY OF MALUKU, HE CLAIMED THAT IT STARTED AS A COMMUNAL CONFLICT RESULTING FROM ECONOMIC MARGINALIZATION OF THE CHRISTIAN COMMUNITY, AND THAT FOR THE FIRST YEAR THE CHRISTIANS WERE MORE AGGRESSIVE. IN AN EFFORT TO TIP THE BALANCE, LASKAR JIHAD (LJ) BEGAN MOBILIZING MUSLIMS FROM JAVA TO AMBON SIX MONTHS LATER, GAINING FINANCIAL SUPPORT BY HIGHLIGHTING ITS HEALTH AND HUMANITARIAN EFFORTS. SIX MONTHS LATER, THE CHRISTIAN SIDE PRODUCED THE MALUKU SOVEREIGNTY FRONT (FKM).

¶8. (C) KALLA CLAIMED THAT THIS SEQUENCE EXPLAINED WHY THE GOI HAD FOCUSED FIRST ON REPAIRING RELATIONS BETWEEN THE LOCAL COMMUNITIES DURING THE MALINO I AND II PROCESSES (AGREEMENTS STRUCK EARLIER THIS YEAR INTENDED TO SETTLE THE CENTRAL SULAWESI AND MALUKU CONFLICTS, RESPECTIVELY). HE SUGGESTED THAT THAT EFFORT HAD BEEN LARGELY SUCCESSFUL, NOTING THAT A RECENT OUTBREAK OF VIOLENCE IN MALUKU HAD INVOLVED ONLY MILITIAS AND NOT LOCAL PEOPLE. THE GOI HAD SUBSEQUENTLY ARRESTED LJ LEADER THALIB AND THE FKM'S LEADER REMAINED IN DETENTION, HE ADDED. KALLA PREDICTED THE SITUATION IN MALUKU WOULD IMPROVE IN JUNE, ALLUDING TO A DEADLINE (OFTEN EXTENDED PREVIOUSLY) FOR OUTSIDE COMBATANTS TO WITHDRAW. KELLY QUESTIONED WHETHER AN IMPROVING SECURITY SITUATION NATIONWIDE INDICATED THAT COMMUNAL CONFLICTS WERE A "SPENT FORCE" AND WHETHER CONFLICT AREAS WOULD REMAIN PEACEFUL AFTER SECURITY FORCES WERE WITHDRAWN.

SEEKING "SHORTCUT TO PARADISE"

¶9. (C) KALLA SUGGESTED THAT SEPARATIST CONFLICTS WERE EASIER TO RESOLVE THAN THOSE WITH RELIGIOUS OVERTONES. THE RELIGIOUS MILITIAS INCLUDED MANY THUGS WHO SOUGHT A "SHORTCUT TO PARADISE" PRECISELY BECAUSE THEY WERE NOT PARTICULARLY RELIGIOUS. CONVINCED THAT HEAVEN WAS ON THEIR SIDE IN A RELIGIOUS WAR, THESE COMBATANTS WERE UNAFRAID TO DIE. SINCE CHARITY ALSO EARNED ONE CREDIT TO GET INTO HEAVEN, THERE WERE MANY PEOPLE, INCLUDING FROM OUTSIDE OF INDONESIA, EAGER TO GIVE LASKAR JIHAD MONEY. KALLA SAID HE HAD TOLD MILITIA MEMBERS ON BOTH SIDES THAT THIS WAS NOT A LEGITIMATE RELIGIOUS WAR, AND THAT THEIR ACTIONS WOULD LIKELY EARN THEM A TRIP TO HELL.

¶10. (C) THE SEPARATIST MOVEMENTS IN ACEH AND WEST PAPUA REMAINED LARGELY BASED ON ECONOMIC GRIEVANCES, KALLA SUGGESTED, WHILE COMPARING THE STUBBORN RESISTANCE OF THE ACEHNESE TO THAT OF THE APACHE INDIANS. WEST PAPUA WOULD BE EASIER TO RESOLVE, HE ARGUED, AS THE NEW SPECIAL AUTONOMY LAW TRANSFERRED GREATER CONTROL OF POLITICS AND ECONOMIC RESOURCES TO THE LOCAL PEOPLE. THE FEARLESSNESS OF HOLY WARRIORS MADE RELIGIOUS CONFLICTS FAR BLOODIER, KALLA NOTED, CLAIMING THAT THE ESTIMATED FIVE THOUSAND PEOPLE KILLED IN THE MALUKU CONFLICT OVER THE PAST THREE YEARS WAS TEN TIMES THE DEATH TOLL IN ACEH. (NOTE: KALLA'S ESTIMATE OF THE ACEH DEAD APPEARS TO BE A SERIOUS UNDERESTIMATE, WITH THE DEATH TOLL SO FAR THIS YEAR ALREADY APPROACHING FOUR HUNDRED. END NOTE.)

¶11. (C) A/S KELLY THANKED KALLA FOR HIS EFFORTS IN BROKERING

THE MALINO AGREEMENTS AND IN TRYING TO ADDRESS THE COUNTRY'S PROBLEMS WITH INTERNALLY DISPLACED PERSONS (IDP'S). HE REITERATED THAT THE UNITED STATES STRONGLY SUPPORTED INDONESIA'S TERRITORIAL INTEGRITY, AND NOTED THAT HIS DEPUTY ASSISTANT SECRETARY, MATHEW DALEY, HAD VISITED GAM LEADERS IN STOCKHOLM THIS MONTH TO URGE THAT THEY ACCEPT THE ACEH SPECIAL AUTONOMY LAW AS A BASIS FOR A POLITICAL SETTLEMENT.

¶12. (C) KALLA SAID THE IDP PROBLEM WOULD BECOME EASIER TO SOLVE AS SECURITY IMPROVED THROUGHOUT THE COUNTRY. NOTING THAT HE WOULD ACCOMPANY PRESIDENT MEGAWATI TO EAST TIMOR'S MAY 19 INDEPENDENCE CELEBRATION, KALLA PROJECTED THAT AS MANY AS FOUR-FIFTHS OF THE REMAINING FIFTY THOUSAND IDP'S IN WEST TIMOR MIGHT RETURN HOME BY AUGUST. A/S KELLY PRAISED MEGAWATI'S DECISION TO ATTEND THE CELEBRATION, NOTING THAT SHE TOOK A POLITICAL RISK IN DOING SO BUT THAT IT WOULD HELP ENCOURAGE IDP'S TO RETURN.

THE SOLUTION -- ENDING POVERTY, IMPROVING EDUCATION

¶13. (C) KALLA STRESSED THE IMPORTANCE OF POVERTY REDUCTION IN RESOLVING ALL OF INDONESIA'S SEPARATIST AND COMMUNAL CONFLICTS. THE GOI WOULD FOCUS ITS EFFORTS ON IMPROVING HEALTH, EDUCATION, SOCIAL SERVICES AND BASIC INFRASTRUCTURE, WHILE LEAVING "THE REST TO THE PRIVATE SECTOR." OVER THE LONGER TERM, THE GOI HAD TO IMPROVE THE EDUCATIONAL SYSTEM TO ADDRESS BOTH ECONOMIC PROBLEMS AND RELIGIOUS EXTREMISM.

¶14. (C) A/S KELLY ASKED ABOUT OTHER ISSUES TOUCHING ON KALLA'S AREA OF RESPONSIBILITY, INCLUDING HEALTH AND THE ENVIRONMENT. KALLA RESPONDED THAT IN ITS APPROACH TO HEALTH CARE, THE GOI WAS RETURNING TO THE TRADITION OF HAVING CLINICS IN EACH VILLAGE STAFFED AT MINIMUM WITH A NURSE CAPABLE OF DOING IMMUNIZATIONS. KALLA DOWNPLAYED CONCERNS ABOUT AN EL NINO-INDUCED DROUGHT THIS YEAR, SAYING HE WAS CONFIDENT THAT STOCKS OF RICE WERE SUFFICIENT TO AVOID A LARGE-SCALE DISASTER. RECALLING JAKARTA'S SEVERE FLOODS EARLY THIS YEAR, KALLA NOTED THAT FLOODS COULD BE AS DANGEROUS AS DROUGHT.

¶15. (C) KALLA POINTED OUT THAT DURING INDONESIA'S 1998 ENVIRONMENTAL CRISIS, IT HAD NOT BEEN DROUGHT BUT RATHER ACCOMPANYING FOREST FIRES THAT HAD DONE THE MOST DAMAGE. KALLA SUGGESTED THE RISK OF A REPETITION OF EL NINO MAY NEARLY HAVE PASSED, AS MAY AND JUNE TENDED TO BE THE DRIEST MONTHS. A/S KELLY ASKED KALLA ABOUT THE CONDITION OF INDONESIA'S CORAL REEFS. THE MINISTER ASSERTED THAT FISHERMEN ARE BETTER TRAINED THAN PREVIOUSLY TO AVOID DYNAMITE FISHING, BUT THAT THE GOI NEEDED MORE CAPACITY TO POLICE ITS WATERS.

COMMENT

¶16. (C) SOURCES SAY THAT KALLA, WITH HIS BUSINESS BACKGROUND, APPROACHES HIS JOB WITH A CAN-DO ATTITUDE THAT BORDERS ON NAIVETE. BUT HIS EMPHASIS ON ECONOMIC EMPOWERMENT IS REFRESHING IN A PLACE WHERE EVERY UNFORTUNATE EVENT IS SEEN AS THE WORK OF MALEVOLENT AND UNSEEN HANDS, WHOSE FEARED POWER THEN BECOMES AN EXCUSE FOR INACTION. THE PRESENCE OF LASKAR JIHAD IN MALUKU IS A SERIOUS OBSTACLE TO PEACE, AND THE REAL REASON THE GOI HAS NOT EVICTED THEM IS FEAR OF AN ISLAMIST POLITICAL BACKLASH. BUT KALLA IS RIGHT TO KEEP THE MILITIAS AND RUMORS OF MILITARY PROVOCATEURS INTO PERSPECTIVE. THE GOI MUST LEARN HOW TO HANDLE THE LIKES OF LASKAR JIHAD, FOR A VARIETY OF REASONS. MEANWHILE, A LOT COULD BE ACCOMPLISHED IF THE GOI STARTED TO FOLLOW THROUGH ON KALLA'S OWN PRESCRIPTION: POVERTY REDUCTION, AND IMPROVEMENTS TO HEALTH, EDUCATION, SOCIAL SERVICES, AND INFRASTRUCTURE, AND PRIVATE SECTOR COMPETITION.

¶17. (U) A/S KELLY HAS CLEARED THIS MESSAGE.

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